

ATTACHMENT B
Interim Agreement between
CB&I, Inc., a Texas Corporation doing business in
the Commonwealth of Virginia as CB&I Constructors, Inc.

MODIFICATION AND CLARIFICATION OF TERMS RE VOL 2 OF PROPOSAL
BY CB&I CONTRACTORS, INC. TO THE CITY OF WILLIAMSBURG
DATED JANUARY 5, 2010

The following is intended to clarify certain specific provisions appearing in Volume 2 of the Unsolicited PPEA Proposal submitted to the City of Williamsburg (Owner) by CB&I Constructors, Inc. dated January 5, 2010 (copy attached as Attachment A).

TAB 2:

A. DETAILED PROJECT DESCRIPTION

2.1 Project Overview

(p 7) "Site Work Options" - N/A.

(p 11) Details re Newport News/Williamsburg Interconnection – N/A.

TAB 3:

3.4 Risk Factors (p 21)

- Schedule Risks. Add the following:

As part of the Lump Sum Price, within forty-five (45) days from the signing of the Interim Agreement, Timmons Group shall develop and submit the necessary site plans and technical documentation (including without limitation, geotechnical investigations and reports) to all agencies (including, but not limited to Virginia Department of Health, Federal Aviation Administration, Virginia Department of Transportation, Department of Conservation and Recreation, City of Williamsburg and James City County) required in order to construct the Project in accordance with Plans and Specifications as approved by Owner. Per Proposal page 21, Timmons Group will conduct meetings with all necessary review agencies as early as practical to minimize application of approval times.

- Price Risk (p 21). Modify second bullet to read:

Except for possible modification of foundation design (p 77); winter painting (#6 under "Fittings and Accessories" (p 78)), and adjustment of Lump Sum Price for variation in steel price as stated hereinbelow, there shall be no allowances for unknown costs.

APPENDIX A DETAILED STAGE INFORMATION

Delete Subsection A.4 - Total Life Cycle Costs.

APPENDIX C DETAILED PRICE PROPOSAL

SECTION 1, SCOPE and CLARIFICATION

WORK OUTSIDE THIS OFFER (p. 76):

- Amend "State, County, and Local Permit Costs" to "Permitting fees and costs. charged by State, County, and Local Permitting Agencies."
- Amend "Regulatory Approvals including FAA" to "Fees and Costs charged by agencies for regulatory approvals including FAA."
- Amend "Third Party Inspections" to "Third Party Inspections ordered by Owner."
- Add "(If ordered by Owner)" to "Field Office for use by others."
- Add "(If approved by Owner)" to "Sandblast and Paint Containment."
- Add "(If approved by Owner)" to "Winter Paint Operations."
- "Tank Logos" N/A.
- "Use of Davis Bacon / Prevailing Rates" N/A.
- "Buy-USA requirements" N/A.
- "MBE Goals or ARRA requirements" N/A.

CONSTRUCTION (p79)

Site Conditions

1. Modify #1 to read: "As provided in [Sec. 3.3.2, page 21](#), Contractor is to handle site clearing, demolition, debris removal, removal of excess earthwork *and* is responsible for the condition of the tank area. The area shown on [page 11](#) as "Temporary Construction Easement for Staging and Lay-Down Area" will be available for such purposes throughout the construction).
2. Modify #2 to read: "Owner shall obtain easement for '16' Gravel Access Drive' as shown on Proposal page 21. Contractor will install gravel and compact as needed as part of site work and maintain said road throughout construction, leaving same in a well-graded and useable condition upon Project completion."

SECTION 2, SCHEDULE (p 80) – N/A.

The following is substituted:

All Work hereunder shall commence upon signing of this Interim Agreement and, in accordance with the graph on Page 18, shall be substantially complete, with all required permits and approvals having been obtained not later than sixty nine (69) days following the date when both parties have signed this Agreement. All Work shall be fully complete, all to Owner's reasonable satisfaction and with all shop drawings in final form within ninety eight (98) days following the date when both parties have signed this Agreement. Specific stages of completion are shown on Exhibit B. Notwithstanding the above, if all permit and approval applications have been timely submitted in full and proper order and if any failure to meet the above 69 and 98 day time frames results from actions of the approving authorities that are beyond the reasonable control of PPEA Contractor and the Design Professionals employed by PPEA Contractor to handle permit and approval submissions, then PPEA Contractor may apply to Owner for a reasonable extension of such time limits, which extension shall not be unreasonably withheld.

SECTION 3, PRICING and COMMERCIAL CONSIDERATIONS

PRICING SUMMARY (p 81)

Contractor's Lump Sum Price shown as \$1,644,330.00 on page 81 includes Contractor's best estimate of the total gross amount to be charged by Contractor to Owner for all Project Work, including engineering, design, permit acquisitions, materials and construction, excluding, however, the following costs to be paid by Owner over and above the Lump Sum Price:

- As provided under "Work Outside of this Offer" (page 76), Owner will be responsible for:
 - Land acquisition. (*Tank site, entrance road proffered by Riverside Healthcare Assoc., Inc.*)
 - Laydown area easement(s). (*Temporary easement for lay-down area proffered by Riverside Healthcare Assoc., Inc.*)
 - State, County and Local Permit Costs. (*All City of Williamsburg Permit Fees waived*).
 - Agency fees for regulatory approvals, including FAA.
 - Rock Excavation.
 - Third Party Inspections as deemed necessary by Owner.
 - Field Office for use by others. (*If ordered by Owner*).
 - Sandblast and Paint Containment. (*If required by final site conditions and paint materials chosen*)).
 - Winter Paint Operations. (*If approved by Owner*).
 - Utility Charges.
 - Tank Logos. (*N/A*).
 - Use of Davis Bacon. (*N/A*).
 - Buy-USA requirements. (*N/A*).
 - MBE Goals or ARRA requirements. (*N/A*)
- As provided in item 2 under "Foundation" (page 77), Owner will be responsible for Disposal of excess excavation material left onsite from digging foundation.
- As provided under "Taxes" (page 82), Owner shall pay all sales taxes, use taxes, gross receipts taxes, value added taxes and other similar taxes imposed on Contractor with respect to the structures furnished under the Proposal which will be invoiced as additions to the Lump Sum Price.
- The System Design shall include the following Options hereby selected by Owner from Section 3 of the Proposal (Attachment A, page 81) which are not part of the Lump Sum Price and shall be at Owner's cost in the amounts indicated:

<u>Option</u>	<u>Cost to Owner</u>
- Freshmix Tank Mixing System w/ 24" draft tube	\$16,500.00
- Antenna Provisions (roof railing penetrations/etc.	

Further details on p 78)	\$ 9,500.00
- SCADA Provisions (Allowance)	\$10,000.00
- FAA Obstruction Light (If Required)	\$ 6,500.00
- Seal Welding of Tank Roof Inside	\$ 7,500.00
- Although Performance & Payment Bonds are not elements of the System Design, as required by Virginia law Owner selects such Option at cost not exceed \$14,000.00.	

- In addition to the Options listed above from Section 3 of the proposal (Attachment A, page 81), the owner may elect to include the following changes:

<u>Option</u>	<u>Cost to Owner</u>
- Increase bypass pipe and altitude valve sizing from 8" to 12"	\$ 9,500
- Upgrade the painting system per Tnemec specification	\$ 17,400

The portion of the Lump Sum Price allocated to design, engineering and permitting Services is \$125,000.00 payable as provided in the Interim Agreement.

COMMERCIAL CONSIDERATIONS (p 82)

Terms of Payment – See Interim Agreement for terms of payment that entirely supplants Proposal provisions under this heading.

END ATTACHMENT B